

CITY OF SAN DIEGO
FISCAL YEAR
2008 PROPOSED
BUDGET

City Agencies



City Agencies

The Fiscal Year 2008 Budget includes summary budget information as developed and reported by five City agencies: the Redevelopment Agency, Southeastern Economic Development Corporation (SEDC), Centre City Development Corporation (CCDC), San Diego Housing Commission (SDHC), and San Diego Data Processing Corporation (SDDPC).

The budgets for these agencies are approved by their respective governing boards. The following budgets are final except for SEDC, SDDPC, and SDHC.

The following table summarizes the Fiscal Year 2008 budgets for these City agencies.

FISCAL YEAR 2008 BUDGET (IN MILLION)		
	Fiscal Year 2008 Budget	Positions
Redevelopment Agency	\$ 91.40	28.00
Southeastern Economic Development Corporation	\$ 55.40	14.50
Centre City Development Corporation	\$ 217.50	55.40
San Diego Housing Commission	\$ 231.2	238.00
San Diego Data Processing Corporation	\$ 43.70	248.00

Redevelopment Agency

Mission Statement

To improve the quality of life and ensure a healthy economy for all San Diegans through job development, business development, neighborhood revitalization, public improvements, redevelopment, social services, revenue enhancement.

The Redevelopment Agency was created by the City Council in 1958 to alleviate blight in older urban areas. The Redevelopment Agency is able to use special legal and financial mechanisms to eliminate blight and to improve economic and physical conditions in designated areas of the City. This authority is conferred to the Agency through the State of California's Health and Safety Code (Section 33000-et.seq.), also known as the California Community Redevelopment Law.

Although the Redevelopment Agency is a separate legal entity, the City Council serves as its legislative body. The Council President chairs the Agency, and the City Attorney serves as general counsel. The Redevelopment Division of the City Planning and Community Investment Department serves as staff to the Agency.

City staff working on behalf of the Agency coordinates budget and reporting requirements, prepares the Redevelopment Agency Docket, and maintains the Agency's official records. Staff also coordinates the activities of the Agency's two public nonprofit corporations-Centre City Development Corporation (CCDC) and Southeastern Economic Development Corporation (SEDC).

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The Redevelopment Agency manages 17 Redevelopment Project Areas and two Survey Areas encompassing more than 11,759 acres. Of the 17 redevelopment areas, 11 are managed by the Redevelopment Agency, with the other areas managed by CCDC and SEDC. The project areas managed by the Redevelopment Agency are Barrio Logan, City Heights, College Community, College Grove, Crossroads, Grantville, Linda Vista, Naval Training Center, North Bay, North Park, and San Ysidro.

The Redevelopment Agency administers six Project Area Committees that advise the Agency regarding plan adoption and project implementation activities.

The Fiscal Year 2008 Budget for the Redevelopment Agency is \$128.2 million. Of this amount, \$91.4 million is comprised of new funds and \$36.8 million of beginning balance. The tax increment to be generated in Fiscal Year 2008 in the City Redevelopment areas is estimated at \$39.2 million. The Agency is in the process of securing a \$70.0 million three-year line of credit through San Diego National Bank. This line of credit will be drawn upon to cover an estimated \$47.0 million of redevelopment project expenditures during Fiscal Year 2008. The balance of Fiscal Year 2008 revenues is generated through developer fees and through lease and property revenue.

As required by law, 20.0 percent of all tax increment revenue must be set aside to provide housing for low and moderate income households. For Fiscal Year 2008, new tax increment funds to be allocated for this purpose are expected to reach \$7.8 million. Additionally, a portion of the revenues received by the Agency are subject to sharing with other taxing agencies impacted by the formation of the project areas. For Fiscal Year 2008, new tax-sharing allocations amount to \$9.1 million. Other required expenditures include debt service payments for tax allocation bonds issued for the City Heights, North Bay and North Park project areas, and developer repayment obligations. These requirements total \$16.1 million of the funds to be received in Fiscal Year 2008. The following table does not include a loan payment and tax increment payment due to the City.

REDEVELOPMENT AGENCY			
	FY 07 Budget	FY 08 Budget	FY 2007-2008 Change
Positions	27.80	28.00	0.20
Personnel Expense	\$ 2,873,173	\$ 3,058,221	\$ 185,048
Non-Personnel Expense	\$ 42,254,827	\$ 88,387,631	\$ 46,132,804
TOTAL	\$ 45,128,000	\$ 91,445,852	\$ 46,317,852

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REDEVELOPMENT AGENCY			
	FY 2007 Budget	FY 2008 Budget	FY 2007-2008 Change
PERSONNEL			
Salaries & Wages	\$ 1,950,364	\$ 2,009,699	\$ 59,335
Fringe Benefits	922,809	1,048,522	125,713
SUBTOTAL PERSONNEL	\$ 2,873,173	\$ 3,058,221	\$ 185,048
NON-PERSONNEL			
Supplies & Services	\$ 248,852	\$ 564,569	\$ 315,717
Information Technologies	53,869	56,384	2,515
Energy/Utilities	15,830	11,186	(4,644)
Equipment Outlay	278	758	480
Capital Projects	7,682,000	28,934,195	21,252,195
Low/Mod Housing	6,470,000	29,958,547	23,488,547
Project Area Admin/Legal/Planning	5,092,998	3,618,736	(1,474,262)
Taxing Agencies	9,950,000	9,096,024	(853,976)
Debt Service	12,916,000	16,147,232	3,231,232
Bond Reserve	(175,000)	-	175,000
SUBTOTAL NON-PERSONNEL	\$ 42,254,827	\$ 88,387,631	\$ 46,132,804
TOTAL	\$ 45,128,000	\$ 91,445,852	\$ 46,317,852

Southeastern Economic Development Corporation

Mission Statement

To balance public investment and careful planning with a commitment to stimulate development designed to enhance services, housing and employment opportunities which will ultimately improve the quality of life for the residents of Southeastern San Diego.

Southeastern Economic Development Corporation (SEDC) is a public benefit, non-profit corporation responsible for all redevelopment activities east of Downtown San Diego. Established by the City, SEDC is responsible for an area bound by the Martin L. King Jr. freeway (State Route 94) to the north, Interstate 5 to the south and west, and 69th Street to the east. SEDC's sphere of influence covers 15 neighborhoods, consisting of four redevelopment projects areas – Central Imperial, Gateway Center West, Mount Hope and Southcrest, and the Dells Imperial Study Area. The SEDC balances public investment and careful planning with a commitment to stimulate development designed to enhance services, housing and employment opportunities which will ultimately improve the quality of life for the residents of Southeastern San Diego.

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The Agency's corporate strategy integrates the best of redevelopment and economic development. The SEDC has a nine member Board of Directors appointed by the Mayor, City Council, and a professional staff of 14.5 employees.

The Fiscal Year 2008 Budget for the SEDC is \$55.8 million and is comprised of six components: Administration, Capital Projects, Low and Moderate Income Housing, Economic Development, Long Term Debt, and Continuing Appropriations. The Fiscal Year 2008 SEDC Budget consists of a \$30.2 million tax allocation bond issuance that will be used to fund major public improvements, land acquisitions, low and moderate income housing assistance, and economic development activities. A re-loan of \$800,000 from the Southcrest Redevelopment Project Area to augment pre-adoption work for the Dells Imperial Study Area, and the planning activities for Gateway Center West is also included in the Fiscal Year 2008 Budget.

The Fiscal Year 2008 SEDC Budget will be presented to the Personnel and Budget Committee of the SEDC Board of Directors in early April 2007, and to the Board of Directors for final approval in late April 2007.

Economic development activities undertaken by the SEDC complement redevelopment activities that have occurred already throughout the SEDC jurisdiction. The economic activities include technical assistance for small businesses, a Revolving Loan Fund Program, a Commercial Rehabilitation Program, and first-time home buyer workshops.

SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION			
	FY 07 Budget	FY 08 Budget	FY 2007-2008 Change
Positions	14.00	14.50	0.50
Personnel Expense	\$ 1,292,000	\$ 1,675,000	\$ 383,000
Non-Personnel Expense	\$ 24,576,000	\$ 53,810,000	\$ 29,234,000
TOTAL	\$ 25,868,000	\$ 55,485,000	\$ 29,617,000

SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION			
	FY 2007 Budget	FY 2008 Budget	FY 2007-2008 Change
PERSONNEL			
Salaries & Wages	\$ 1,034,000.00	\$ 1,307,000.00	\$ 273,000.00
Fringe Benefits	258,000.00	368,000.00	110,000.00
SUBTOTAL PERSONNEL	\$ 1,292,000.00	\$ 1,675,000.00	\$ 383,000.00
NON-PERSONNEL			
Supplies & Services	\$ 550,900.00	\$ 783,200.00	\$ 232,300.00
Information Technologies	29,000.00	57,000.00	28,000.00
Energy/Utilities	31,000.00	33,600.00	2,600.00

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Other Government & Administrative Expenses	21,000.00	27,900.00	6,900.00
Project Budgets	19,421,100.00	40,125,300.00	20,704,200.00
Debt Service Appropriation	4,523,000.00	12,783,000.00	8,260,000.00
SUBTOTAL NON-PERSONNEL	\$ 24,576,000.00	\$ 53,810,000.00	\$ 29,234,000.00
TOTAL	\$ 25,868,000.00	\$ 55,485,000.00	\$ 29,617,000.00

SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION		
Significant Budget Adjustments	Position	Expenses
Salaries and Benefits Adjustments	0.50	\$ 383,000
The increase is due to the following: increase in number of positions; project manager position is fully funded in fiscal year 2008; provisions for salary, benefits and employee pay plan in fiscal year 2008 as per salary study.		
Non-Personnel Changes	0.00	\$ 269,800
The increase in non-personnel expenses is due to anticipated increase in redevelopment activities in fiscal year 2008 that are associated with the \$30 million Series 2007 Tax Allocation Bond Issuance		

SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION			
	FY 2007 Budget Reimbursements	FY 2008 Budget Reimbursements	FY 2007-FY 2008 Change
Departments:			
City Attorney	\$ 50,000.00	\$ 52,000.00	\$ 2,000.00
City Auditor	95,000.00	100,100.00	5,100.00
C & E Development	83,000.00	83,200.00	200.00
Financial Management	100.00	1,000.00	900.00
City Treasurer	-	30,000.00	30,000.00
Neighborhood Code Compliance	100,000.00	100,000.00	-
TOTAL	\$ 328,100.00	\$ 366,300.00	\$ 38,200.00

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Centre City Development Corporation

Mission Statement

To create a 24 hour livable community in Downtown San Diego, eliminating blight, providing housing, and stimulating the economy by creating jobs through public and private development.

Centre City Development Corporation (CCDC) was created by the City as an independent non-profit corporation in 1975 in order to plan, implement, and directly redevelop San Diego's urban core. CCDC oversees redevelopment of approximately 1,450 acres which include Centre City and Horton Plaza Redevelopment Project Areas.

The Fiscal Year 2008 Budget for CCDC was presented to the Centre City Advisory Committee in early March 2007 and approved by the CCDC Board Directors in late March 2007.

The Fiscal Year 2008 Budget consists of three components: project activities inclusive of the use of low and moderate income housing funds, long term debt, and CCDC's administrative budget, totaling \$217.5 million funded primarily from tax increments and the issuance of new Tax Allocation Housing bonds. The CCDC's Fiscal Year 2008 Budget contains a total of \$82.3 million for projects, \$75.1 million for affordable housing, \$36.6 million for debt service, \$23.5 million for payment to tax sharing entities, CCDC administration, and the City services.

Significant components of the budget include a provision for the funding of land acquisitions for parks and open space, design of fire stations, construction documentation for Phase I of the North Embarcadero improvements, design relating to the "C" Street Corridor Revitalization and Enhancement, the Downtown Quiet Zone Project, a pedestrian bridge and at Grade Track improvements at Park Boulevard and Harbor Drive, the Main Library, and a significant provision for affordable housing.

CCDC has a seven member Board of Directors appointed by Mayor and City Council to manage the corporation and its professional staff.

CENTRE CITY DEVELOPMENT CORPORATION			
	FY 07 Budget	FY 08 Budget	FY 2007-2008 Change
Positions	51.40	55.40	4.00
Personnel Expense	\$ 6,281,000	\$ 6,834,500	\$ 553,500
Non-Personnel Expense	\$ 170,080,000	\$ 210,701,500	\$ 40,621,500
TOTAL	\$ 176,361,000	\$ 217,536,000	\$ 41,175,000

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CENTRE CITY DEVELOPMENT CORPORATION			
	FY 2007 Budget	FY 2008 Budget	FY 2007-2008 Change
PERSONNEL			
Salaries & Wages	\$ 4,390,000	\$ 4,747,500	\$ 357,500
Fringe Benefits	1,891,000	2,087,000	196,000
SUBTOTAL PERSONNEL	\$ 6,281,000	\$ 6,834,500	\$ 553,500
NON-PERSONNEL			
Supplies & Services	\$ -	\$ -	\$ -
Information Technologies	-	-	-
Energy/Utilities	-	-	-
Other G & A Expenses	1,826,000	2,521,500	695,500
Project Budgets	135,066,000	171,559,000	36,493,000
Debt Service Appropriation	33,188,000	36,621,000	3,433,000
SUBTOTAL NON-PERSONNEL	\$ 170,080,000	\$ 210,701,500	\$ 40,621,500
TOTAL	\$ 176,361,000	\$ 217,536,000	\$ 41,175,000

CENTRE CITY DEVELOPMENT CORPORATION		
Significant Budget Adjustments	Position	Expenses
Salary and Benefits Adjustment	4.00	\$ 331,301
The addition in 4.00 FTE's, including a 1.00 Senior Planner, 1.00 Junior Planner, 1.00 Executive Assistant, and 1.00 Information Technology Manager.		

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CENTRE CITY DEVELOPMENT CORPORATION REIMBURSEMENTS			
	FY 2007 Budget Reimbursements	FY 2008 Budget Reimbursements	FY 2007-FY 2008 Change
Departments			
Development Services	\$ 210,000	\$ 220,000	\$ 10,000
City Auditor and Comptroller Office	250,000	260,000	10,000
City Attorney	250,000	260,000	10,000
City Treasurer	220,000	220,000	-
City Planning and Community Investments	125,000	125,000	-
City Redevelopment Dept.	120,000	120,000	-
Homeless Coordinator	60,000	60,000	-
Purchasing - EEO	15,000	15,000	-
General Govt. Services	160,000	170,000	10,000
Downtown Econ. Dev. Spec.	-	150,000	150,000
Other/Misc./Contingency	40,000	100,000	60,000
TOTAL	\$ 1,450,000	\$ 1,700,000	\$ 250,000

San Diego Housing Commission

Mission Statement

To provide quality housing opportunities to improve the lives of those in need.

The San Diego Housing Commission (SDHC) is an award-winning public agency that helps low-income families, seniors, and people with disabilities afford housing in the City. The Agency helps more than 12,000 families with rental assistance in Section 8 and approximately 1,800 with publicly owned apartments (public housing). In addition, agency programs have enabled 4,100 families to buy their first homes and over 9,800 to rehabilitate their older homes. Working with non-profit and for-profit developers, the San Diego Housing Commission has also helped create more than 23,500 apartments in San Diego, including over 10,500 with affordable rents.

The Fiscal Year 2008 Budget for SDHC will be presented to the City's Land Use and Housing Committee in mid May 2007, and to the Housing Authority in early June 2007.

The Fiscal Year 2008 Budget for the San Diego Housing Commission is \$231.3 million.

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SAN DIEGO HOUSING COMMISSION BUDGET SUMMARY			
	FY 2007 Budget	FY 2008 Budget	FY 2007-2008 Change
Positions	237.50	238.00	0.50
Personnel Expense	\$ 17,110,820	\$ 17,838,859	\$ 728,039
Non-Personnel Expense	\$ 270,424,713	\$ 213,449,479	\$ (56,975,234)
TOTAL	\$ 287,535,533	\$ 231,288,338	\$ (56,247,195)

SAN DIEGO HOUSING COMMISSION EXPENDITURES			
	FY 2007 Budget	FY 2008 Budget	FY 2007-2008 Change
PERSONNEL			
Salaries & Wages	\$ 12,706,054	\$ 13,199,014	\$ 492,960
Fringe Benefits	4,404,766	4,639,845	235,079
SUBTOTAL PERSONNEL	\$ 17,110,820	\$ 17,838,859	\$ 728,039
NON-PERSONNEL			
Supplies & Services	\$ 7,546,900	\$ 6,892,432	\$ (654,468)
Information Technologies	1,983,855	1,561,425	(422,430)
Energy/Utilities	1,850,940	1,977,635	126,695
Housing Programs	230,661,719	182,584,605	(48,077,114)
Office & Dwelling Equipment	3,046,046	456,242	(2,589,804)
Reserves	25,335,253	19,977,140	(5,358,113)
SUBTOTAL NON-PERSONNEL	\$ 270,424,713	\$ 213,449,479	\$ (56,975,234)
TOTAL	\$ 287,535,533	\$ 231,288,338	\$ (56,247,195)

City Agencies

San Diego Data Processing Corporation

Mission Statement

To support, improve, build, and maintain client's information technology needs through an open and honest partnership.

The San Diego Data Processing Corporation (SDDPC) was formed in 1979 by the City to realize the benefit of privatizing its Information Technology (IT) functions. The SDDPC continues to provide these benefits providing the City with professional, quality IT services.

The SDDPC is at the forefront of providing IT and telecommunications services to the departments of the City, as well as other municipal and nonprofit organizations. The SDDPC provides state-of-the-art hardware, software, and networks to give customers immediate access to the required information. These programs and services have been nationally recognized for innovation and efficiency.

The Fiscal Year 2008 Budget for SDDPC was developed based on the Fiscal Year 2008 IT need of City departments and other (non-City) customers. SDDPC's Fiscal Year 2008 Budget is subject to approval by the SDDPC Board of Directors in April 2007.

The SDDPC was acknowledged by the Gartner Group, an independent analyst of IT customer service, as an industry leader and trendsetter in customer satisfaction. This level of achievement puts SDDPC in the top 10 percentile for satisfaction of IT providers in the United States. Areas that were reviewed included support responsiveness, availability and expertise, system performance, functionality and quality, cost, impact of IT services, and support.

As a partner of the City, the SDDPC is committed to delivering quality, efficient, and cost-effective IT services so that the residents of San Diego receive quality public safety, library, parks and recreation, and related services that depend on the performance of IT services.

SAN DIEGO DATA PROCESSING CORPORATION			
	FY 07 Budget	FY 08 Proposed Budget	FY 2007-2008 Change
Positions	257.00	248.00	-9.00
Personnel Expense	\$ 24,474,000	\$ 24,209,000	\$ (265,000)
Non-Personnel Expense	\$ 17,311,000	\$ 19,510,000	\$ 2,199,000
TOTAL	\$ 41,785,000	\$ 43,719,000	\$ 1,934,000

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SAN DIEGO DATA PROCESSING CORPORATION			
	FY 2007 Budget	FY 2008 Proposed Budget	FY 2007-2008 Change
PERSONNEL			
Salaries & Wages	\$ 18,348,000	\$ 18,140,000	\$ (208,000)
Fringe Benefits	6,126,000	6,069,000	(57,000)
SUBTOTAL PERSONNEL	\$ 24,474,000	\$ 24,209,000	\$ (265,000)
NON-PERSONNEL			
Supplies & Services	\$ 3,637,000	\$ 3,530,000	\$ (107,000)
Information Technology	4,929,000	5,048,000	119,000
Energy/Utilities	419,000	456,000	37,000
Equipment Outlay	8,326,000	10,476,000	2,150,000
SUBTOTAL NON-PERSONNEL	\$ 17,311,000	\$ 19,510,000	\$ 2,199,000
TOTAL	\$ 41,785,000	\$ 43,719,000	\$ 1,934,000

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SAN DIEGO DATA PROCESSING CORPORATION SIGNIFICANT BUDGET ADJUSTMENTS		
Significant Budget Adjustments	Positions	Expenses
Salaries and Benefits Adjustments	-9.00	\$ (265,000)
The decrease of \$265,000 is comprised of \$208,000 in lower salaries and \$57,000 in lower benefits primarily due to savings from position reductions and lower worker's compensation expense between Fiscal Year 2007 and Fiscal Year 2008.		
Depreciation Expense	0.00	\$ 952,000
The increase is due to depreciation expense is primarily due to cost of equipment needed to support the Microsoft Exchange Project.		
Data Network and Telecommunications Expense	0.00	\$ 120,000
The increase is primarily the result of additional costs from enhancing the network infrastructure.		
Facilities Expense	0.00	\$ 49,000
The increase is primarily due to an increase in insurance for both property and equipment.		
Professional services	0.00	\$ (135,000)
The decrease is primarily the result of lower outside consultants.		
Equipment	0.00	\$ 196,000
The increase is primarily the result of increased equipment/ maintenance costs associated with implementing the Microsoft Exchange Project.		
Increase in IT support	0.00	\$ 1,002,000
The increase is primarily the result of additional software licensing costs associated with implementing the Microsoft Exchange Project.		
Other Expenses	0.00	\$ 15,000
The increase is primarily the result of increases in recruiting/advertising, training and mileage reimbursements.		